



ARIZONA STATE SENATE
Fifty-Second Legislature, Second Regular Session

FACT SHEET FOR S.B. 1216

charitable donations; tax credit amount

Purpose

Increases the amount of tax deductible credit for voluntary cash contributions made by a taxpayer to a qualifying charitable organization.

Background

The tax credit for charitable organizations is claimed as a tax credit for voluntary cash contributions made during any taxable year to a qualifying charitable organization. A qualifying charitable organization is defined as a charity that is a 501(c)(3) or a community action agency that receives community service block grant program monies that spend at least 50 percent of its budget on services to Arizona residents who either receive temporary assistance for needy families (TANF) benefits, are low income residents whose household income is less than 150 percent of the federal poverty level or are children who have a chronic illness or physical disability, and show that the charity plans to continue spending at least 50 percent of its budget on services to those described above. A charity has to apply for and meet all requirements of the law to be considered a qualifying charitable organization.

The anticipated fiscal impact to the General Fund is unknown at this time.

Provisions

1. Increases the tax credit amount for voluntary cash contributions made to a qualifying charitable organization as follows:
 - a) \$400 for a single individual or head of household; and
 - b) \$800 for a married couple filing a joint return.
2. Becomes effective on the general effective date.

Prepared by Senate Research
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BR/TV/lr